



CALPEEK

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Dick Rosengarten, Publisher

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KEEP YOUR EYES ON CALIF.'S SUPREME COURT. KENO DECISION COULD IMPACT NOV. 5 BALLOT.

Editor's note: Although it didn't get all that much news media attention, CA's Supreme Court on May 9 heard oral arguments in a case known as *Western Telcon vs. CA State Lottery*. It's a legal battle by CA's powerful horse racing industry to make the Lottery Commission get rid of its very popular & profitable *video Keno game*. Why would the lottery's Keno game impact the Nov. 5th ballot? Here's our analysis...

...Make this assumption: Palm Springs developer Mark Bragg has a better than even shot at qualifying the *Gaming Control Act of 1996* initiative, which permits Bragg and his partners to have **slot machines** at his 3 card club casinos in Palm Springs. The initiative petitions containing about 1.1 million signatures were turned in to county registrars as CALPEEK hit deadline...

...If the CA Supreme Court rules in favor of the horse racing industry, not only will the CA Lottery lose about \$392 million annually (based on '94 data), but CA's 22 Indian gaming casinos could be forced to get rid of their video slot machines as well. That's why the Indian casinos are siding with the lottery commission...

...And should the court rule against video slots/Keno, sources say it's likely the Indian casinos in Calif. will do what's necessary to protect their interests. That means the Calif./Nevada Indian Gaming Assn. (representing most of the 22 casinos here in CA) might pump many **millions** into a campaign supporting Bragg's initiative. Remember: if slot machines are legal in Palm Springs, they're legal at the Indian casinos as well...

...Would the CNIGC contribute directly to Bragg's campaign --- or would they launch an independent campaign of their own? Our sources think an independent campaign is *more likely*, although that decision won't

be made until the State high court issues its ruling on this case in about 90 days -- around Aug. 9th...

...CA's Attorney General Dan Lungren(R), who has an ongoing feud with the Indian casinos over these video slot machines (he says they are illegal), is the guy in the middle who is doing a *slow burn*: his defense of the lottery's Keno game could end up aiding the tribes...

...FYI: Sources say Las Vegas interests are fairly confident that Bragg's initiative will qualify and thus are gearing up for a mega-buck fight this November. Just take a look at what one Vegas casino is bankrolling: the *Foundation on Gambling Abuse*, with former CHP Commissioner Maurice Hannigan leading the charge. For more info about the CA/NV Indian Gaming Assn., use this web page: www.cniga.com. Stay tuned...

CALPEEK'S NEW LAW & ORDER REFERENCE GUIDE

Next week (May 27th issue) we plan to distribute our new 4-page Law & Order Reference Guide. It'll have info about the county sheriffs, DAs, the police chiefs, the Calif. DOJ, the key CA Legislative committees dealing with law & order, plus lots of other useful info. *And CALPEEK will be on vacation the week of May 27th* (Memorial Day week), meaning the next issue of CALPEEK (after the Guide) will be dated June 10th...

CAMPAIGN '96: UPDATE ON L.A. COUNTY'S SAN GABRIEL VALLEY - SCRAMBLE FOR OPEN SEATS.

Editor's note: In this very volatile political area where Republicans can no longer campaign in a relaxed manner, 3 of 4 key districts are OPEN seats with no incumbents. Here's our first look at this area since the March 26th primary...

...*Overview* - This area takes in such key cities as Glendale, Burbank and Pasadena. The OPEN seats up

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for grabs include the 27th CD, 21st SD, and the 43rd AD. Demo registration in all of these districts runs about 43%, while GOP registration is 41- 42%. In order for Demos to win in districts like these, they need strong, moderate candidates with solid community roots and good funding...

☒ **21st SD** - Some sources think the Demos best shot for success is in this district, where incumbent Sen. Newt Russell(R) has been *termed out*. Former Asst. U.S. Atty. Adam Schiff(D), now in private practice, had no primary challenge. Senate Demo Leader Bill Lockyer thinks highly of Schiff, who made a very credible run for the Assembly (against James Rogan) in '94. Lockyer is prepared to be generous because he sees an opening. Schiff's GOP opponent is Assembly-woman Paula Boland, who won an extremely bitter primary battle with 34.9% of the vote. While 2nd place finisher Wilbert Smith has endorsed her, the 3rd place finisher, Bob Oltman, has not and probably won't. He's suing Boland. Right now Boland is riding high on a wave of very favorable publicity --- over AB 2043, which would permit the San Fernando Valley to split more easily from L.A. City. She also authored a bill to allow the breakup of the huge L.A. School District. All of this plays well in the San Fernando Valley --- but it's not part of the 21st SD. And there's the rub. Boland is a *political schizophrenic* (split loyalties): a Valley girl who can't decide which Valley to represent --- San Fernando or San Gabriel. And this could be a problem for her throughout the fall campaign...

☒ **27th CD** - Businessman Doug Kahn(D), who has very deep pockets, pumped big bucks into his primary and knocked off former SAG president Barry Gordon in a so-so bitter primary. Gordon got most of the key endorsements, but didn't have the resources to match Kahn. And this was Kahn's *3rd primary* in as many election cycles, so he had residual name ID. The GOP nominee is Assembly Majority Leader James Rogan of Glendale, who had a free ride in the primary. Our sources think Kahn has an uphill battle against Rogan. But much may depend on how the Presidential race turns out in the 27th CD, as well as voter feelings toward the House GOP's hardline agenda. But one thing is certain: Kahn will force Rogan to spend big bucks --- money that otherwise might go to Boland or perhaps to 44th AD incumbent Bill Hoge(R-Pasadena), who is considered one of the most vulnerable GOP

officerholds in the State. Registration in the 27th CD is 43.18% (D) to 42.20% (R)...

☒ **43rd AD** - 33-year-old college professor and businessman John Geranios(R) has lots of work to do if he is to overcome tons of suspicion left over from a crowded and sometimes nasty primary. Geranios spent \$500,000 and swamped his rivals, yet few voters really know much about him. GOP sources in the 43rd AD suspect he's probably a moderate on social issues. He got only 5,500 votes. While hardline conservatives would have a tough time voting for UTLA business agent Scott Wildman(D), they could sit on their hands and make Geranios sweat. The district has a 44% (D) vs. 40% (R) registration. But the key question is this: what is Geranios and his family willing to spend? If the answer is, *whatever it takes*, then he stands a solid shot at holding this seat for the GOP. But make no mistake: Wildman will benefit from the Demo efforts on behalf of Schiff and the others. Stay tuned...

DEMO CIVIL WAR IN CENTRAL VALLEY BETWEEN GARY CONDIT & SAL CANNELLA CAUSES CONCERN.

Editor's note: This feud between U.S. Rep. Gary Condit(D-Merced) and Assemblyman Sal Cannella (D-Modesto) is kinda like the *Hatfields & McCoys*, only the stakes are bigger. Here's our brief update & analysis...

...Like the classic hillbilly battle, no one knows for sure why this fight between Condit & Cannella started. Our sources guess that big egos and future political posturing may have had something to do with this. But Central Valley Demos and their allies (labor, public employees and teachers) are very concerned. So concerned that they tried to heal the rift two(2) weeks ago. Not much success, but they haven't given up...

...Here's what we do know: there was a bruising primary for Cannella's 26th AD seat between Merced businessman Dennis Cardoza and Deputy DA Larry Morse --- and Cannella failed to endorse the ultimate winner - Cardoza, who will face off in November against GOPER Tom Berryhill of Ceres. Berryhill comes into this battle with strong backing from the agri-business community and a well-known political name. According to our source, the bad blood between Condit & Cannella concerns a future endorsement of Cannella for the State senate in '98 against

GOPer Dick Monteith. Right now, Gary won't endorse Sal --- and Cannella still has not endorsed Cardoza...

...Bottomline: the only casualty so far is campaign consultant Phil Giarrizzo, who ran Cardoza's primary. He was caught in the middle and is no longer with Cardoza. Will the Demos kiss & make up? A source told CALPEEK, "One of the few advantages of an early primary is that we have time to get this settled." Stay tuned...

ASSEMBLYMAN BAUGH GETS A DATE WITH JUDGE.

GOP Assemblyman Scott Baugh of Huntington Beach is scheduled for a pre-trial hearing at 1:30 p.m., May 31, Dept. 41 --- before Orange Co. Sup. Court Judge James L. Smith, the former presiding judge of O.C. Superior Court. Baugh is charged with 4 felonies (including falsifying campaign reports) and 18 misdemeanors (for allegedly trying to hide the source of his campaign contributions) --- arising out of the DA's ongoing probe into campaign dirty tricks in the 67th AD recall election of Doris Allen(R) last year. Ironically, Smith is the judge who administered the oath of office to Baugh when he was elected last year. Baugh's regular trial is to start in Judge Smith's court on Aug. 26th...

...Also due for a pre-trial hearing in front of Judge Smith is Baugh's C-O-S, Maureen Werft, who is accused of lying on her ballot application and voting in the 67th AD, even though she doesn't live in this AD. Her regular felony trial is set for June 17th. And Rhonda Carmony, a campaign aide to U.S. Rep. Dana Rohrabacher(R-Huntington Beach), has a pre-trial hearing before Judge Smith on June 14th, with her regular felony trial on Aug. 26th. She's accused by the O.C. Grand Jury of being a key player in designing the campaign scheme to get decoy Demo Laurie Campbell into the Nov. 28th recall to drain away Demo votes from Linda Moulton-Patterson, the former Huntington Beach mayor. The three trials have been *separated*...

...FYI: Should Baugh be convicted, there's no way for GOPers in Orange Co. to remove his name from the Nov. 5th ballot. The only way his name can be taken off the ballot is if he *dies in office* before the fall ballots are printed. Given the crazy world we live in, it might be prudent for authorities to provide increased security for the 33-year-old GOP lawmaker. Stay tuned...

CALIF. INITIATIVE SCHEDULE: DEADLINE DATES.

Editor's note: The following is a list of all the initiatives which are currently in circulation and the deadlines for submitting petitions for verification of signatures. Constitutional amendments(C/A) require 693,230 valid signatures, while statutes(S) require 433,269 signatures. Initiatives which hope to make the Nov. 5th ballot must be certified by June 27th. Those measures listed in ***bold italics*** are the initiatives still out which have the best chance of qualifying for November...

Title(abbreviated)	Statute or C/A	Due Date
Candidate Spending Limits	S	5/23/96
Budget Bill. Taxes	CA	5/28/96
Electronic Voting	CA	6/3/96
Radioactive Waste	S	6/3/96
<i>Competitive Bidding</i>	<i>CA</i>	<i>6/3/96</i>
10-20-Life	S	6/3/96
Gambling. Pilot Project	CA	6/17/96
Taxation. Property	S	6/19/96
<i>95-5 School Spending</i>	<i>S</i>	<i>6/24.96</i>
Education. 4 Pilot Programs	S	6/26/96
Judges. Limit Immunity	CA	6/26/96
Limit Immunity. Judges	CA	6/26/96
Equal Opportunity.	S	7/1/96
Frivolous Lawsuits	S	7/1/96
Limit Congressional Terms	S	7/15/96
Rollback Student Fees	S	7/15/96
Term Limits/Years Served	S	7/15/96
Redwood Bonds	S	8/28/96
No Fluoridation	S	8/29/96
Firearms. Possess & Carry	CA/S	8/29/96
Preserving Programs	CA	9/9/96
Increase Size of CA Senate	CA	9/13/96

■ Already qualified for Nov. 5th: ***Attorney Fees*** (Consumer Attorneys I); ***Campaign Reform*** and ***CCRI***...

■ As CALPEEK went to press, Mark Bragg's Gambling Initiative (slots in Palm Springs) was being turned in to County Registrars up & down the State...

■ Being counted for Nov. 5th: 1) securities fraud (Lereach); 2) medical use of marajuna; 3) Jarvis/Gann II; 4) Uninsured motorists; 5) campaign reform (CALPRIG); 6) top income tax brackets; 7) health care (SEIU); 8) health care (CNA); and 9) minimum wage. Stay tuned...

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CA ASSEMBLY RACES: UPDATE ON 30th & 74th ADs.

Editor's note: There are *no Demo candidates* in either the 30th AD or the 74th AD --- yet Assembly Demo insiders are keeping very careful watch on developments in both districts. Here's an update & analysis...

☒ **30th AD** - The GOP nominee is Robert M. Prenter Jr., a newcomer to the Central Valley who with the aid of \$200,000 from the CA Indep. Business PAC (hardline conservative PAC) ambushed freshman Assemblyman Brian Setencich(R-Fresno). Immediately after the primary there was all sort of speculation about what Setencich would do. Now, some 2 months later, our sources are 98% certain that Setencich will run as a write-in candidate. Sources say the former Assembly Speaker is very close to issuing a final decision and that an announcement should come at the end of May. It would be a complicated and expensive battle, but one Central Valley source told CALPEEK, "If anyone can do it, Brian can." Setencich still has \$170,000 in the bank (he was so shocked by the ambush, he didn't have time to spend his warchest). But sources say he'd probably need to double that figure to give Prenter a run. Sources also tell CALPEEK that Setencich has met with a number of consultants - getting advise more than anything else. He's also reported to have met with State Sen. Jim Costa and ex Congressman Richard Lehman, both Demos. We'll keep you posted...

☒ **74th AD** - Former GOPer-turned independent Fred Clayton of Vista has begun the long road to get on the Nov. 5th ballot as an independent so that he can challenge GOP freshman Assemblyman Howard Kaloogian of Carlsbad. Clayton has until Aug. 9th to collect 6,300 valid signatures to qualify. He's getting help from local public employee groups in the area and he says his forces collected 1,300 signatures during the first 5 days. In fact, public employees are the key to Clayton's entire campaign. Stay tuned...

CALPEEK's INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few political items worth noting...

■ **Reaction to Dole's Resignation** - GOP reaction to U.S. Sen. Bob Dole's resignation from the U.S. Senate --- to campaign full time for President --- is almost all positive. Tactically, it frees Dole so that he can campaign full-time (and not be worried about missing

votes), while strategically it may help to give him some distance from an unpopular GOP House agenda. This latter point is important and this is where Demo consultants differ with their GOP colleagues. Sources report that Dole is due to visit Calif. later this month...

■ **Reform Party's CA Conference** - The Reform Party, one of CA's new political parties, will hold its 1st Calif. Conference, June 1-2 at the L.A. Convention Center. Guest speakers include Ross Perot, Assemblyman Dom Cortese(RP-San Jose) and former Colorado Gov. Richard Lamm. Need info about this upcoming conference? ☎(310)726-9422...

■ **Full Metal Jacket** - An update on local efforts to outlaw Saturday Night Special handguns. Oakland's city council has approved a ban on such weapons and S.F. County Supes Susan Leal and Michael Yaki have introduced a new law in S.F. to do the same thing. The new S.F. law aimed at banning SNS handguns is modeled after West Hollywood's law. New SNS laws in the works: Alameda & San Mateo Counties...

NEW JOBS, ADDRESSES AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● Timothy P. McKone has been named Director of Govt. Affairs for the '96 RNC Presidential convention in San Diego...

● Demo activist Patricia Duff will chair the 1996 EMILY's List Women Vote! campaign. This is a \$10 million effort to mobilize Demo women voters...

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